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May 5th, 1959

COCOM Document No. 2869.92

COORDINATING COMMITTEE

RECORD OF DISCUSSION

5. List Policy GENERAL

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<u>on</u>

REVIEW OF THE STRATEGIC EXPORT CONTROLS - EXCEPTIONS PROCEDURES

April 27th and May 4th, 1959.

Present:

Belgium (Luxembourg), Canada, Denmark, France, Germany, Italy, Japan, Netherlands, Turkey, United Kingdom, United States.

References:

CH/1547, COCOM 471 (Revised), 1347, 1473, 2869.5, 2869.13, 2859.55, 2869.62, 2869.75, 2869.77, 2869.79, 2869.81, 2869.83, 2869.88, 2869.89, 3230, 3338, Secretariat Paper No. 104.

Prior commitments (Secretariat Paper No. 104, paragraph 3).

- 1. The CHAIRMAN proposed that the Committee should continue to take Secretariat Paper No. 104 as the basis of discussion. He referred to paragraph 3, which dealt with prior commitments and recalled that the French, Italian and United Kingdom proposals on this subject were to be found in paragraph 2 of the Annex to COCOM 2869.62 and the United States proposal in Annex D to COCOM 2869.5.
- 2. The FRENCH Delegate said that because of objections which had previously been raised by the German, United Kingdom and United States Delegates, his authorities were prepared, in order to awoid the possibility of any misunderstanding, to withdraw their proposal.
- 3. The UNITED KINGDOM Delegate stated that his authorities had certain doubts on the Italian proposal for an addition to the United Kingdom proposal because they felt that it was concerned primarily with mercury. He recalled that mercury had been a List III item and was then transferred to List I. In the meantime the Italian Government had undertaken to supply a quantity of mercury to the Soviet Bloc. The United Kingdom authorities felt that nothing would be gained now that the Committee were dealing with the exceptions procedures in general terms by adding something which applied only in exceptional circumstances. The Delegate enquired whether it would be possible for the Italian authorities to withdraw their proposed amendment?
- 4. The ITALIAN Delegate undertook to transmit to his authorities the remarks made by his United Kingdom colleague.
- 5. The BELGIAN, GERMAN, JAPANESE and NETHERLANDS Delegates stated that their authorities could accept the United Kingdom proposal on prior commitments, which they understood would be added to the existing paragraph 3 of COCOM 471 (Revised).
- 6. At the suggestion of the United States Delegate, the CHAIRMAN invited Delegates to give the views of their authorities on the United States proposal. He pointed out that the new element it contained was a reference to the Watch List.
- 7. The UNITED KINGDOM Delegate said that his authorities could not accept the United States proposal because if an item were on the Watch List it was in all probability not subject to export licensing and it was thus impossible to establish whether prior commitments existed or not.

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8. The FRENCH Delegate stated that he shared the views of his United Kingdom colleague with regard to the United States proposal. The United Kingdom proposal did not correspond exactly to the wishes of his authorities on this subject but he was nevertheless prepared to accept it ad referendum.

Procedure for submission of exceptions (Secretariat Paper No. 104, paragraphs 4-10).

- 9. The COMMITTEE agreed that no change was necessary in paragraphs 4 8.
- 10. Referring to paragraph 9, the UNITED KINGDOM Delegate said that the reason why his authorities had submitted a proposal (Annex to COCOM 2869.62, paragraph 6(b)) for an addition to this paragraph was because it had not always been possible to settle an exceptions request in the first round of discussion. They realised that it would take time to reconsider objections and they was why they thought a time limit would be useful.
- 11. The GERMAN Delegate said that his authorities did not consider that such an addition was necessary, while agreeing in principle that a Member Country, as it was the practice of the Committee in the past, would be free to submit a case with further arguments for a second time.
- 12. The CHAIRMAN pointed out in clarification that the French proposal (Annex to COCOM 2869.62, paragraph 6(a)) was not related to the procedure for a second round of discussion. It referred to cases where no reply was given. In such cases the current practice of the Committee had been to consider the requesting country free from further obligations from the procedural point of view before making their final decision.
- 13. The COMMITTEE agreed to continue the discussion on May 4th.
- 14. On May 4th the ITALIAN Delegate informed the Committee that his authorities withdrew their proposed amendment concerning prior commitments (paragraph 4 above).
- 15. The FRENCH Delegate confirmed the ad referendum agreement he had given to the United Kingdom proposal (paragraph 8 above).

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